

1-1 By: Patrick S.B. No. 233
1-2 (In the Senate - Filed January 23, 2013; January 29, 2013,
1-3 read first time and referred to Committee on Intergovernmental
1-4 Relations; March 25, 2013, reported favorably by the following
1-5 vote: Yeas 5, Nays 0; March 25, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Hinojosa	X			
1-8 Nichols	X			
1-9 Garcia	X			
1-10 Paxton	X			
1-11 Taylor	X			

1-13 A BILL TO BE ENTITLED
1-14 AN ACT

1-15 relating to the use of funds of certain municipal hospital
1-16 authorities.

1-17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-18 SECTION 1. Subchapter C, Chapter 262, Health and Safety
1-19 Code, is amended by adding Sections 262.0331 and 262.039 to read as
1-20 follows:

1-21 Sec. 262.0331. EXPENDITURE OF FUNDS FOR PUBLIC HEALTH
1-22 INITIATIVES AFTER SALE OR CLOSING OF HOSPITAL. (a) If, after the
1-23 sale or closing of a hospital under Section 262.033, the authority
1-24 does not own or operate a hospital, the board may use the
1-25 authority's available assets to promote public health and general
1-26 welfare initiatives that the board determines will benefit the
1-27 residents served by the authority, including:

1-28 (1) owning, operating, or funding an indigent health
1-29 care clinic, medical research facility, medical training facility,
1-30 or other health care facility;

1-31 (2) providing direct or indirect financial assistance
1-32 to a nonprofit organization that:

1-33 (A) owns or operates a hospital, indigent health
1-34 care clinic, medical research facility, medical training facility,
1-35 or other health care facility; or

1-36 (B) supports an initiative promoting health
1-37 education, wellness, or disease prevention; and

1-38 (3) undertaking any other activity that the board
1-39 determines is necessary or appropriate to improve public health,
1-40 promote wellness, prevent disease, or enhance the general welfare
1-41 of the residents served by the authority.

1-42 (b) The board may not make an expenditure under Subsection
1-43 (a) unless:

1-44 (1) the board makes appropriate provisions for the
1-45 satisfaction of any outstanding bonds, debt obligations, or other
1-46 liabilities of the authority;

1-47 (2) the predominant purpose of the expenditure is to
1-48 promote the public health and general welfare of the residents
1-49 served by the authority; and

1-50 (3) the board establishes sufficient controls to
1-51 ensure that the expenditure promotes the public health and general
1-52 welfare of the residents served by the authority.

1-53 Sec. 262.039. INVESTMENT OF AUTHORITY FUNDS. (a) This
1-54 section applies only to an authority that:

1-55 (1) is located in a county of 3.3 million or more;

1-56 (2) has no outstanding bonds issued under Subchapter
1-57 D; and

1-58 (3) does not own or operate a hospital.

1-59 (b) Notwithstanding any other law, an authority may invest
1-60 authority funds:

1-61 (1) as provided by Chapter 2256, Government Code; and

2-1 (2) in any investment a trustee is authorized to make
2-2 under Subtitle B, Title 9, Property Code.
2-3 SECTION 2. This Act takes effect September 1, 2013.

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